



# Chicago Title Company

Commercial/Industrial Division,  
700 South Flower, Suite 800 Los Angeles, CA 90017 (213) 488-4300

**Title Department:**

Chicago Title Company  
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Order No.: 116744570-X49

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## PRELIMINARY REPORT

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Property Address: 13935 - 14055 Tahiti Way, Marina Del Ray Area, CA

Dated as of: January 27, 2012 at 7:30 am

In response to the application for a policy of title insurance referenced herein, Chicago Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said Policy forms.

The printed Exceptions and Exclusion from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Chicago Title Insurance Company

***Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.***

***It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.***

## SCHEDULE A

1. The estate or interest in the land hereinafter described or referred to covered by this report is:

A Leasehold Estate as to Parcel 1, for the terms and upon the terms, covenants and conditions and provisions therein provided, so created by those certain leases dated October 4, 1961 executed by the County of Los Angeles, as lessor and Vadlm P. Kondratief, doing business as V.P.K. Investment & Development Company, as lessee, commencing June 8, 1961 upon the terms and covenants set forth therein as said leases were recorded on April 20, 1962 as Instrument No. [4381](#) in Book M996 Page 163 and April 20, 1962 as Instrument No. [4382](#) in Book M996 Page 210, all of Official Records.

Said leases were amended by instrument entitled 'Amendment to Lease', as recorded on April 20, 1962 as Instrument Nos. [4383](#), [4384](#), [4385](#) and [4386](#) and further amended by amendments Nos. 3 and 4 as recorded on November 26, 1968 as Instrument Nos. [3378](#) and [3379](#), all of Official Records.

The Interest of Vadim P. Kondratief, doing business as V.P.K. Investment & Development Company, as lessee, was transferred to Virginia D. Kondratief, a married woman as her sole and separate property, by assignment dated August 14, 1964 and recorded on April 14, 1965 as Instrument No. [4758](#), of Official Records.

The interest of Virginia D. Kondratief, a married woman as her separate property, was transferred to Chester I. Lappen and City National Bank of Beverly Hills, as Trustees, by assignment dated March 16, 1955 and recorded on April 23, 1965 as Instrument No. [4948](#), of Official Records.

Said leases were further amended by agreement on file with the Clerk of The Board of Supervisors of the County of Las Angeles, as disclosed by a "Notice of Amendment to Lease", dated September 1, 1965 and recorded on October 18, 1965 as Instrument No. [4411](#), of Official Records.

Said leases were further emended by agreement on file with the Clerk of the Board of Supervisors of the County of Los Angeles, as disclosed by a "Notice of Amendment to Lease", dated October 20, 1966 and recorded on November 14, 1966 as Instrument No. [3402](#), of Official Records.

The Interest of Chester I. Lapper and City National Bank of Beverly Hills, as Trustees, was transferred to Real Property Management, Inc., by assignments dated October 22, 1968 and recorded on November 27, 1968 as Instrument Nos. [4186](#) and [4187](#), both of Official Records.

Said leases were further amended by an agreement on file with The Clerk of the Board of Supervisors of the County of Los Angeles as disclosed by a "Notice of Amendment to Lease" recorded on April 23, 1969, as Instrument No. [3152](#), of Official Records.

Said leases were further amended by an amendment dated April 15, 1969 and recorded on July 8, 1971 as Instrument No. [983](#) in Book M3805 page 4986, of Official Records.

The interest of Real Property Management, Inc., a California corporation was transferred to Interstate Marina Development Co., a limited partnership, by assignment dated June 7, 1971 and recorded on July 8, 1971 as Instrument No. [984](#), of Official Records.

## SCHEDULE A

(continued)

The interest of Interstate Marina Development Co., a limited partnership, was transferred to Miami Equities, Inc., a California corporation by assignment dated July 17, 1971 and recorded on July 30, 1971 as Instrument No. [5595](#), of Official Records.

The interest of Miami Equities, Inc., a California corporation was transferred to Interstate Marina Development Co., a limited partnership, by assignment dated August 8, 1972 and recorded on December 26, 1972 as Instrument No. [2228](#) and by assignment dated December 28, 1972 and recorded on December 29, 1972 as Instrument No. [2297](#), both of Official Records.

Said leases were further amended by an instrument entitled "Amended Leases", dated November 7, 1973 and recorded on November 21, 1973 as Instrument No. [1432](#), in Book M4525 Page 58, of Official Records.

Said leases were further amended by an instrument entitled "Amendment of Lease", dated November 7, 1973 and recorded on June 10, 1981 as Instrument No, [81-576703](#), of Official Records.

Said lease were further amended by an instrument entitled "Amendment to Lease", dated September 27, 1977 and recoded on October 14, 1977 as Instrument No. [77-1143445](#), of Official Records.

Said leases were further amended by an agreement on file with the executive officer of the Board of Supervisors of the County of Los Angeles as disclosed by a "Notice of Amendment to Lease" dated November 20, 1974 and recorded on January 10, 1975 as Instrument No. [3276](#), in Book M4890 Page 605, of Official Records.

Said leases were further amended by an agreement on file with the Executive Officer of The Executive Officer of The Board of Supervisors of the County of Los Angeles as disclosed by a "Notice of Amendment to Lease", dated August 5, 1975 and recorded on August 18, 1975 as Instrument No. [3859](#), In Book M5094 Page 213, of Official Records.

Said lease were further amended by an instrument entitled "Amendment to Lease", dated November 20, 1974 and recorded on June 10, 1981 as Instrument No. [81-576704](#), of Official Records.

Said leases were further amended by an agreement on file with the Clerk of The Board of Supervisors of the County of Los Angeles as disclosed by a "Notice of Amendment to Lease" dated September 27, 1977 and recorded on October 12, 1977 as Instrument No. [77-1129614](#), of Official Records.

Said leases were further amended by an instrument entitled "Amendment to Lease", dated August 5, 1975 and recorded on June 10, 1981 as Instrument No, [81-576705](#), of Official Records.

Said instrument, among other things, provides for the renegotiation of rent.

The interest of Interstate Marina Development Co., a limited partnership, was transferred to Marina International Properties, Ltd., a limited partnership, by assignment dated October 24, 1983, effective January 1, 1984 and recorded January 5, 1984as Instrument No. [84-15414](#), of Official Records.

**SCHEDULE A**  
(continued)

Said leases were further amended by an instrument entitled ‘Notice of Amendment to Lease’, dated June 6, 1989 and recorded June 22, 1989 as Instrument No. [89-1002472](#), of Official Records.

Said leases were further amended by an instrument entitled “Amendment No. 10 to Lease No. 4985”, dated June 6, 1989 and recorded August 3, 1989 as Instrument No. [89-1248640](#), of Official Records.

The interest of Marina International Properties, Ltd., a California limited partnership, was transferred to MGC Commercial, a California partnership, by assignment of lease dated May 27, 1993 and recorded May 28, 1993 as Instrument No. [93-1027232](#), of Official Records.

The interest of MGC Commercial, a California partnership was transferred to G.C. Properties, LP, a Delaware Limited Partnership by a Trustee’s Deed Upon Sale, recorded September 8, 1995 as Instrument No. [95-1469921](#), of Official Records.

The interest of G.C. Properties, LP, a Delaware Limited Partnership was transferred to T/W Marina Apartments, LLC, a Delaware Limited Partnership Company by assignment of lease dated October 1, 1996 and recorded October 2, 1996 as Instrument No. [96-1617657](#), Official Records.

An assignment and Assumption of Ground lease by I & G Bay Club, L.L.C., a Delaware limited liability company was recorded June 22, 2001 as Instrument No. [01-1078388](#), of Official Records.

Assignment of Lease by I & G Bay Club, L.L.C. dated October 6, 2005 and recorded October 12, 2005, as Instrument No. [05-2456527](#), of Official Records.

An easement as to Parcel 2.

2. Title to said estate or interest at the date hereof is vested in:

[NF Marina LP](#), a California limited partnership

3. The land referred to in this report is situated in the State of California, County of Los Angeles and is described in the Legal Description, attached hereto:

END OF SCHEDULE A

## LEGAL DESCRIPTION

PARCEL 1:

PARCELS 63 TO 91 INCLUSIVE, AS SHOWN ON LOS ANGELES COUNTY ASSESSOR'S MAP NO. 88, FILED IN [BOOK 1 PAGE\(S\) 53 THROUGH 70](#) INCLUSIVE, OF ASSESSOR'S MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, AND THE EASTERLY 24.81 FEET OF PARCEL 92, IN SAID COUNTY, AS SHOWN ON SAID MAP.

PARCEL 2:

A RIGHT OF WAY FOR ACCESS PURPOSES TO BE USED IN COMMON WITH OTHERS OVER THE NORTHERLY 10 FEET OF THE WESTERLY 32 FEET OF THE EASTERLY 56.81 FEET OF SAID PARCEL 92, ACCORDING TO THE NOTICE OF AMENDMENT TO LEASE, RECORDED OCTOBER 12, 1977 AS INSTRUMENT NO. [77-1129614](#), OF OFFICIAL RECORDS.

END OF LEGAL DESCRIPTION

## SCHEDULE B

At the date hereof, items to be considered and exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

A. Property taxes, including any assessments collected with taxes, for the fiscal year 2012 - 2013 that are a lien not yet due.

B. Property taxes, for the fiscal year 2011 - 2012 are paid. For proration purposes the amounts are:

1 <sup>st</sup> Installment:	\$228,407.30 Paid
2 <sup>nd</sup> Installment:	\$228,407.29 Paid
Code Area:	0001608

Assessors Parcel Number: 8940-370-029

C. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Part 0.5, Chapter 3.5 or Part 2, Chapter 3, Articles 3 and 4 respectively (commencing with Section 75) of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A; or as a result of changes in ownership or new construction occurring prior to date of policy.

1. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the recorded map shown below:

Map of:	<a href="#">L.A. County Assessor's Map No. 88</a>
Purpose:	storm drains, fire access, sanitary sewers and harbor utility
Affects:	That portion of said land as shown on said map.

2. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose:	drainage
Recorded:	July 8, 1971 as Instrument No. <a href="#">983</a> in Book M3805 page 496, of Official Records
Affects:	That portion of said land as described in the document attached hereto.

3. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose:	drainage
Recorded:	October 12, 1977 as Instrument No. <a href="#">77-1129614</a> , of Official Records
Affects:	That portion of said land as described in the document attached hereto.

4. Any adverse claim based upon the assertion that some portion of said land is tide or submerged lands, or has been created by artificial means or has accreted to such portion so created.

## SCHEDULE B (continued)

5. Any rights in favor of the public which may exist on said land if said land or portions thereof are or were at any time used by the public.
6. Any adverse claim based on the assertion that any portion of said land was not tideland which was available for disposition by the State of California, or that any portion thereof has become submerged land by reason of erosion or has become upland by reason of accretion.
7. Rights and easements for commerce, navigation and fishery.
8. Any rights, interest, or easements in favor of the public, which exists or is claimed to exist over a portion of said land which presently is, or has ever in the past, been covered by water.
9. The effect of any failure to comply with the terms, covenants, conditions and provisions of the lease described or referred to in Schedule A.
10. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by making inquiry of the lessors and their successors in interest, in the lease described or referred to in Schedule A.
11. Any defect in or invalidity of, or other matters relating to the leasehold estate referred to herein, which would be disclosed by an examination of the unrecorded lease.
12. Any facts, rights, interests or claims which may exist or arise by reason of the following matters disclosed by an inspection or survey:
  - A. An encroachment of the improvements situated on said land, onto the easement shown as exception number 3, consisting of buildings, as shown on said survey.
  - B. Any easement or lessor right due to the fact that utility vaults and manholes are located on said land.
13. A Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount:	\$38,000,000.00
Dated:	October 6, 2005
Trustor:	NF Marina LP, a limited partnership
Trustee:	First American Title Insurance Company
Beneficiary:	PB Capital Corporation, as Administrative Agent
Recorded:	October 12, 2005 as Instrument No. <a href="#">05-2456528</a> , of Official Records

**SCHEDULE B**  
(continued)

14. A financing statement filed with the office of the county recorder, showing

Debtor:	NF Marina LP, a limited partnership
Secured Party:	PB Capital Corporation, as Administrative Agent
Recorded:	October 12, 2005 as Instrument No. <a href="#">05-2456529</a> , of Official Records

Reference is hereby made to said document for full particulars.

A change to the above financing statement was filed

Nature of Change:	Continuation
Recorded:	September 10, 2010 as Instrument No. <a href="#">2010-1276386</a> , of Official Records

15. Water rights, claims or title to water, whether or not disclosed by the public records.
16. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said land that is satisfactory to this Company, and/or by inquiry of the parties in possession thereof.

This office must be notified at least 7 business days prior to the scheduled closing in order to arrange for an inspection of the land; upon completion of this inspection you will be notified of the removal of specific coverage exceptions and/or additional exceptions to coverage.

17. Any rights of parties in possession of said land, based on any unrecorded lease, or leases.

This Company will require a full copy of any unrecorded lease, together with all supplements, assignments, and amendments for review.

END OF SCHEDULE B

## INFORMATIONAL NOTES

Note No. 1: Section 12413.1, California Insurance Code became effective January 1, 1990. This legislation regulates the disbursement of funds deposited with any title entity acting in an escrow or sub-escrow capacity. The law requires that all funds be deposited and collected by the title entity's escrow and/or sub-escrow account prior to disbursement of any funds. Some methods of funding may be subject to a holding period, which must expire before any funds may be disbursed. In order to avoid any such delays, all funding should be done via wire transfer. Funds deposited with the Company via wire transfer may be disbursed upon receipt. Funds deposited by cashiers checks, certified checks, and teller's checks is one business day after the day deposited. Other checks may require hold periods from two to five business days after the day deposited, and may delay your closing. The Company may receive benefits from such banks based upon the balances in such accounts. Such benefits will be retained by the Company as part of its compensation for handling such funds.

Note No. 2: The charge where an order is cancelled after the issuance of the report of title, will be that amount which in the opinion of the Company is proper compensation for the services rendered or the purpose for which the report is used, but in no event shall said charge be less than the minimum amount required under Section 12404.1 of the Insurance Code of the State of California. If the report cannot be cancelled "no fee" pursuant to the provisions of said Insurance Code, then the minimum cancellation fee shall be that permitted by law.

Note No. 3: California Revenue and Taxation Code Section 18668, effective January 1, 1991, requires that the buyer in all sales of California Real Estate, withhold 3-1/3% of the total sales price as California State Income Tax, subject to the various provisions of the law as therein contained, and as amended.

Note No. 4: Wire Transfers

*In the event your transaction is being escrowed by a Chicago Title office, contact should be made with the office to obtain correct wiring instructions. Failure to do so could result in a delay in the receipt of funds and subsequent closing of your transaction.*

**Chicago Title will disburse by wire-out only collected funds or funds received by confirmed wire-in.**

The Company's wire-in instructions are:

<b>Bank:</b>	Bank of America 275 Valencia Blvd, 2nd Floor Brea, CA 92823
<b>Bank ABA No.:</b>	0260-0959-3
<b>Account Name:</b>	Chicago Title Company, Broadway Plaza Office
<b>Account No.:</b>	12351-50737
<b>For Credit To:</b>	Chicago Title Company 700 South Flower, Suite 800 Los Angeles, CA 90017
<b>Order No.:</b>	116744570-X49

## INFORMATIONAL NOTES

(continued)

**LENDER NOTE:** On the DATE you fund the Loan and WIRE Funds to Chicago Title and reference the above Order Number, you must send written NOTICE to the Title Officer's Unit by messenger or E-Mail that you sent the Funds.

Chicago Title will send an E-Mail acknowledging receipt of the funds as soon as practicable.

Chicago Title will NOT be responsible for any delay in Closing and Recording the transaction, nor will Chicago Title be liable for any claim of lost Interest unless such written Notice is sent the day of Funding and Chicago Title has acknowledged receipt of funds.

Note No. 5: Your application for title insurance was placed by reference to a street address or assessor's parcel number. Based upon our records, we believe that the description in this report covers the parcel that you requested.

To prevent errors, we require written confirmation that the legal description contained herein covers the parcel that you requested.

Note No. 6: The plat, (map), which is attached to this report, is to assist you in locating land with reference to streets and other parcels. While this plat is believed to be correct, the Company assumes no liability for any loss occurring by reason of reliance thereon.

Note No. 7: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.

Note No. 8: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the amount, if any, set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.

## **INFORMATIONAL NOTES**

(continued)

Note No. 9: Your open order request indicates that a limited partnership will be acquiring, encumbering or conveying real property in your transaction. Under the provisions of “the California Revised Limited Partnership Act”, effective July 1, 1984, the following will be required:

- (1) A certificate, in conformity with the new act, must be filed with the Secretary of State and a certified copy thereof recorded in the office of the Los Angeles County Recorder.
- (2) The requirement that this company be furnished with a complete copy of the limited partnership agreement and any amendments thereto for our review, at least two weeks prior to closing.
- (3) If the limited partnership was formed outside of the State of California, please contact the title officer for our requirements.

**Note No. 10: Important notice regarding documents to be recorded in the Los Angeles County. Please review the following CRITICAL MESSAGE from the Los Angeles County Recorder’s Office as it will likely impact your closing:**

### **SUBJECT: ACCEPTANCE OF NOTARY ACKNOWLEDGEMENTS**

Effective May 1, 2008, the Los Angeles Registrar-Recorder/County Clerk’s Office will work diligently to be more efficient in examining notary acknowledgements as our part in minimizing notary fraud. In our efforts, we will strictly adhere to the following requirements for accepting Notary Acknowledgments/Certificates:

- Notaries must comply with the requirements set forth by the state where the oath is administered.
- Notary Acknowledgments/Certificates may not contain white-out, corrective tape, arrows and/or asterisks.
- Notary Acknowledgments/Certificates completed by a California Notary that are destined for recording in the County of Los Angeles must be presented exactly in the form prescribed by Civil Code Section 1189(a)(1).

A Notary Acknowledgment/Certificate that does not meet existing state requirements in addition to the requirements set forth above may not be re-submitted after it has been rejected by the Recorder. A new Notary Acknowledgment/Certificate will be required when re-submitting a rejected document.

If you have any questions, please contact the Registrar-Recorder/County Clerk at (562) 462-2125.

**INFORMATIONAL NOTES**  
(continued)

[ATTACHMENT ONE](#)

[PRIVACY STATEMENT](#)

**IMPORTANT INFORMATION:**

**For those of you receiving this report by electronic delivery the Privacy Statement and Attachment One are linked to this report. Please review this information by selecting the link. For those of you who are receiving a hard copy of this report, a copy of this information has been submitted for your review.**

**INFORMATIONAL NOTES**  
(continued)

**NOTICE**

You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between May 19, 1995 and November 1, 2002. If you had more than one qualifying transaction, you may be entitled to multiple discounts.

If your previous transaction involved the same property that is the subject of your current transaction, you do not have to do anything; the Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is subject of your current transaction, you must - prior to the close of the current transaction - inform the Company of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount.

Unless you inform the Company of the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount which is subject to other terms and conditions.